

# Creating a Managed System of Care for the Uninsured of Orange County, California (2009-2012)

## The Client:

Health Funders of Orange County

## The Challenge:

Develop an integrated network of health care services for the uninsured, equitably building upon the contributions of the hospitals and physician resources in Orange County.

## The Approach:

In 2009, HMA was engaged by the Health Funders of Orange County to develop the clinical, financial, organizational, and infrastructure elements of an integrated, rational, and equitable delivery system to serve the half million uninsured residents of Orange County. The effort was financially supported by the hospital systems located within the county, the Orange County Health Services Agency, and CalOptima (the community's large Medicaid managed care plan). Over the course of a year, HMA developed a plan for a new delivery system—the Managed System of Care (MSC)—and a second plan for the creative financing of the MSC. Because the community has no public hospital system and few Federally Qualified Health Centers (FQHCs), the plan built heavily upon the private physician and hospital network that composed the providers for the Medicaid system. The plan:

- recommended expansion of existing FQHCs and initiating new starts;
- rationalized the specialty network between the various member health systems;
- suggested approaches to the integration of behavioral and primary care services; and
- built on existing IT strategies to assure greater linkage between the County's hospitals and primary care sites.

As part of the finance plan, HMA reviewed the county public health budget as well as other partner organizational resources that could be redirected and more efficiently used in the integrated delivery model. Strategies included matching mental health monies and other uninsured costs as well as raising money from other sources. HMA also created three-year cash-flow models that identified infrastructure investments and an expanded coverage mechanism (pre ACA).

## The Results:

The MSC served as a vehicle for joint planning and for implementation of several information technology innovations to more effectively link participating providers. A major reorganization of CalOptima, the implementation of the ACA, and the opening of new FQHC resources within the county contributed to a failure to fully implement the system as envisioned.

## HMA Contact(s):

Pat Terrell

Vice President

[pterrell@healthmanagement.com](mailto:pterrell@healthmanagement.com)

(312) 641-5007 x611